

**2021  
CLIMATE CHANGE CDP  
SUBMISSION**

December 14, 2021

**metro**

C0. Introduction

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C0.1

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**(C0.1) Give a general description and introduction to your organization.**

With a history going back to 1947, METRO is a leader in the food and pharmacy retailing industry with 1,600 retail outlets in Canada and annual sales of almost \$18 billion in 2020.

METRO INC. is a food and pharmacy leader in Québec and Ontario. As a retailer, franchisor, distributor, and manufacturer, the company operates or services a network of 953 food stores under several banners including Metro, Metro Plus, Super C, Food Basics, Adonis and Première Moisson, as well as 648 drugstores primarily under the Jean Coutu, Brunet, Metro Pharmacy and Food Basics Pharmacy banners, providing employment directly or indirectly to almost 90,000 people.

As a leader in food and pharmacy in Eastern Canada, we provide essential services to the communities we serve and who rely on us for advice and support. That is why we have adopted a new purpose, *Nourish the health and wellbeing of our communities*, thereby redefining and updating our vision which was to offer the best customer experience in each of our banners. Our purpose better reflects our aspirations while fitting perfectly in our corporate responsibility framework. Our business strategy is founded on corporate responsibility. The fundamental purpose of our actions is to ensure profitable growth for all: employees, shareholders, business partners and the communities that we serve.

Additional information about METRO can be found at <https://corpo.metro.ca/en/home.html> and in our 2020 Corporate responsibility report at <https://corpo.metro.ca/en/corporate-social-responsibility.html>

C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	October 1 2019	September 30 2020	No	<Not Applicable>

C0.3

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**(C0.3) Select the countries/areas for which you will be supplying data.**

Canada

C0.4

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

CAD

C0.5

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

C1. Governance

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C1.1

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**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

**C1.1a**

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board Chair	The Governance and Corporate Responsibility Committee of the Board of Directors (previously named Corporate Governance and Nominating Committee – the name changed in April 2021) is responsible for the oversight of the Corporation's activities and disclosure with regards to CR, including ESG factors. The Board of Directors approves corporate responsibility (CR) plans and reports. The annual CR report presents data related to the Corporation's climate related issues, including its carbon footprint.
Director on board	The Governance and Corporate Responsibility Committee of the Board of Directors (previously named Corporate Governance and Nominating Committee – the name changed in April 2021) is responsible for the oversight of the Corporation's activities and disclosure with regards to CR, including ESG factors. The Board of Directors approves corporate responsibility (CR) plans and reports. The annual CR report presents data related to the Corporation's climate related issues, including its carbon footprint.
Chief Executive Officer (CEO)	As the head of the Management Committee, the President and CEO approves the Corporation's CR strategy and ensures that the priorities are in line with METRO's business strategy
President	As the head of the Management Committee, the President and CEO approves the Corporation's CR strategy and ensures that the priorities are in line with METRO's business strategy
Board-level committee	Governance and Corporate Responsibility Committee The Committee oversees the Company's activities with regards to the Company's corporate purpose and corporate responsibility which includes environmental, social and governance matters (ESG). The Committee also reviews the Company's disclosure on these matters. The Committee reports to the Board on these activities when appropriate. - The chair of METRO's Environmental Committee reports on the committee's activities to the Governance and Corporate Responsibility Committee (was previously reporting to the Audit Committee) on an annual basis. When relevant, the Governance and Corporate Responsibility Committee reports to the Board a summary of this report. - The progress report submitted to the Governance and Corporate Responsibility Committee covers the implementation of the Environmental Policy, including regulatory compliance, corporate carbon footprint and related GHG emissions reduction initiatives in the energy, refrigerants, solid waste, packaging and transport sectors. - More information on the mandate of the Governance and Corporate Responsibility Committee is available here: <a href="https://corpo.metro.ca/userfiles/file/PDF/Gouvernance/EN/mandat_corpogov_EN_2021-v2.pdf">https://corpo.metro.ca/userfiles/file/PDF/Gouvernance/EN/mandat_corpogov_EN_2021-v2.pdf</a>

**C1.1b**

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> <li>Reviewing and guiding major plans of action</li> <li>Reviewing and guiding annual budgets</li> <li>Monitoring implementation and performance of objectives</li> <li>Overseeing major capital expenditures, acquisitions and divestitures</li> <li>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> </ul>	<Not Applicable>	The CEO presents the Corporation's corporate responsibility (CR) plan to the Board of Directors for approval. The 2016-2020 CR plan includes a pillar dedicated to the environment and its four priorities address climate-related topics: optimizing the energy consumption of our buildings, managing our waste, enhancing the energy efficiency of our merchandise transport and optimizing our packaging and printed materials. The CEO also presents the annual CR report to the Board of Directors for approval. The report provides information on the Corporation's carbon footprint and the initiatives implemented to reduce GHG emissions. It also includes a progress report on the attainment of the Corporation's objectives. Some programs to reduce the Corporation's carbon footprint require financial investments. These capital expenditures are part of the annual budget that is submitted to the Board of Directors for approval. The chair of METRO's Environmental Committee reports on the committee's activities to the Governance and Corporate Responsibility Committee on an annual basis. The progress report covers the implementation of the Environmental Policy, including regulatory compliance, corporate carbon footprint and related GHG emissions reduction initiatives in the energy, refrigerants, solid waste and transport sectors. In addition, management identifies the main risks to which the Corporation is exposed, as well as appropriate measures for proactively managing them, and presents the risks and mitigation measures to the Audit Committee and Board of Directors on an ongoing basis. Internal Audit is mandated to audit all business risks every three years. The process includes climate-related risks.

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Chief Financial Officer (CFO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Other, please specify (VP, Real Estate and Engineering; Executive Vice President, Ontario Division Head and National Supply Chain; VP, Public Affairs and Communications; National VP, Logistics and Distribution; VP, Supply Chain)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Other committee, please specify (Environmental Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

**Senior executives oversee environment management. They are all officers of the Corporation.**

President and CEO: As the head of the Management Committee, the President and CEO approves the Corporation's CR strategy and ensures that the priorities are in line with METRO's business strategy.

CFO (Executive VP, CFO and Treasurer): Oversees the Corporation's risk management system, as well as investor relations. Member of the Corporation's executive team.

**Other:**

- VP, Real Estate and Engineering: Chairs the Environmental Committee, oversees environmental strategy, policy and programs implementation and reports on these activities, including the corporation's carbon footprint and GHG emissions reduction initiatives, to the Governance and Corporate Responsibility Committee of the Board of Directors. Member of the Corporation's management team.
- Executive Vice President, Ontario Division Head and National Supply Chain: oversees supply chain activities. Member of the Corporation's management team.
- VP, Public Affairs and Communications: Defines the strategic CR directions and reports on progress to the Management Committee and to the Governance and Corporate Responsibility Committee of the Board of Directors. Member of the Corporation's management team.
- National VP, Logistics and Distribution: Oversees transport and distribution centre activities. Member of the Corporation's management team.
- VP Supply Chain, METRO: oversees supply chain activities. Member of the Corporation's management team.

**Environmental Committee**

- Chaired by METRO's Vice President of Real Estate and Engineering and reports to the Governance and Corporate Responsibility Committee of the Board of Directors.
- Role of the committee: plan, coordinate and control the Corporation's environmental matters, including climate-related issues.
- Committee members include officers of the Corporation, individuals directly responsible for managing GHG emissions (senior director and directors) and an external environment consultant.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Energy manager	Monetary reward	Energy reduction project Efficiency project	The energy director is responsible for energy efficiency programs and related reductions in GHG emissions. The director's performance assessment and bonus plan consider his role in the achievement of our energy consumption reduction activities and goals.
Environment/Sustainability manager	Monetary reward	Emissions reduction project Other (please specify) (Waste recovery project)	The environmental director is responsible for waste management programs and calculates the related reductions in GHG emissions. The director's performance assessment and bonus plan consider his role in the achievement of our GHG emissions reduction activities and goals.

**C2. Risks and opportunities**

**C2.1**

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

**C2.1a**

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	4	6	
Long-term	7	10	

**C2.1b**

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

METRO does not define specific and direct substantive financial impact on our business.

For strategic impact, METRO on a more specific basis, assesses high-level climate-related trends that could potentially impact the business, particularly those regarding reputation, weather and market conditions, such as energy prices, changing customer behaviours and distribution. We then refine our analysis to better identify and understand the potential significant risks and opportunities which are in turn communicated to the Audit Committee through the chair of the Environment Committee to assess the level of materiality on a company-wide basis.

Where considered material, the Audit Committee reviews and monitors the effectiveness of the respective mitigation and adaptation measures. At an asset level, we conduct specific climate change assessments through our Environmental Committee. These assessments include regulations, changing weather events and market trends as they relate to our operations. Our assessments are based on the information we gather from site-specific environmental compliance audits, regional energy and carbon-related regulatory reviews, and regionally based weather-related events. Based on these assessments, we review the potential risks and opportunities based on a consideration of the likelihood and severity of the impacts. Where risks and opportunities are identified as significant, we develop site-specific mitigation and adaptation programs.

**C2.2**

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Not defined

**Time horizon(s) covered**

Long-term

**Description of process**

As part of its overall Corporate Responsibility (CR) approach, METRO is continuously monitoring issues and trends that could affect the company, especially the substantive matters concerning its activities. As part of this process, the CR and environment teams are putting a specific focus on climate-related topics in order to anticipate, assess and manage the potential risks and opportunities. More specifically, the scope of the climate-related issues assessment includes regulations, reputation, weather-related events, and market conditions.

**C2.2a**

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Ontario and Québec, the provinces in which METRO mainly conducts operations, have implemented GHG regulations that require companies (large emitters) in specific industries to audit and report their GHG emissions when specific emission thresholds are exceeded. METRO is currently not subject to these regulations, however, we closely monitor regulatory changes and assess potential indirect impacts. In 2017, a cap-and-trade system came into effect in Ontario, however, the system was revoked as of July 3, 2018, prohibiting trading of emission allowances. As Ontario revoked the cap-and-trade system, the federal government invoked a carbon tax. During this report's application period, the Ontario government was fighting against the federal carbon tax which was invoked due to the lack of adequate standards for carbon pricing in the province. However, on March 25, 2021, the Supreme Court of Canada (the "SCC") handed down its decision on the constitutionality of the federal government's carbon pricing regime and the SCC ruled that the federal government has the right to impose minimum carbon-pricing standards on the provinces. Consequently, METRO could be exposed to increasing operational costs from suppliers. In 2013, a cap-and-trade system was implemented in Quebec which remains in effect. However, METRO is not required to participate, and does not have the size to make it practical to participate in the voluntary cap-and-trade market. Should regulations become more stringent in the future, we may incur administrative costs related to our GHG data systems and reporting processes. Furthermore, new regulations regarding refrigerants have already impacted our organization, leading to capital investment for refrigeration retrofits. With the acquisition of the Jean Coutu Group in 2018, METRO's activities expanded to New Brunswick, exposing the Corporation to new regulations. As a result, the Environment Committee's mandate has expanded to New Brunswick. In June 2019, the New Brunswick government released Holding Large Emitters Accountable: New Brunswick's Output-Based Pricing System. This policy proposal, which was submitted to the federal government for approval in July 2019, met the federal government's minimum stringency benchmark requirements, and received approval in September 2020. Implementation of the output-based pricing system is to occur after the fiscal year associated with this report. METRO is monitoring potential impacts.
Emerging regulation	Relevant, always included	Under the Québec Waste Management Policy, the provincial government is proposing a new organic waste valorization strategy to divert 70% of the organic waste from landfills by 2030 and to have organic waste managed in 100% of industries, businesses and institutions by 2025. This proposed regulation is part of the governments' objective to meet its carbon reduction goals. Diverting organic waste from landfills could expose METRO to additional operational costs associated with organic waste reduction and diversion, since the Corporation will have to increase its organic waste recovery rates as compared to the quantities recovered under the current program. Diverting of organic waste from landfills could also reduce the viability of carbon credit program for METRO, should the Corporation choose to participate in this type of program. The Ontario government passed the new Waste-Free Ontario Act (2016), which enacts the Resource Recovery and Circular Economy Act, 2016 and the Waste Diversion Transition Act, 2016 which implement waste reduction and resource recovery regulations for the province. The Act currently impacts METRO with regards to its Stewardship Ontario obligation. The fees originally covered by Stewardship Ontario obligations resulted in 50% of recycling program costs covered by producers. In 2020 we were expecting new regulations under the Resource Recovery and Circular Economy Act, 2016 to be adopted. Under the new regulations, the fees would increase to 100% of the cost. The Blue Box Regulation has since been published (June 3, 2021). We attend conferences, webinars and government presentations through trade associations to stay abreast of new regulations. Our Legal Department carries out a constant watch on coming legislative changes regarding energy and environment to make METRO aware of the impact such changes could have on our business. This allows the Company to plan ahead to be compliant with applicable new legislation.
Technology	Relevant, sometimes included	Technological advancements in the energy sector can represent interesting levers for our carbon footprint management, from the financial and GHG emissions reductions perspectives. For example, METRO took advantage of the expanding LED technology to replace current lighting in distribution centres, renovated stores as well as in newly constructed stores. METRO experienced success of the LED projects during a pilot phase. As a result, the LED technology became in 2017 the new standard for all of METRO's new constructions due to its energy efficiency, while maintaining visual effectiveness. In addition, advancements in refrigeration technologies brought METRO to now install CO2 refrigeration systems in new store constructions. These advancements are energy efficient and considerably reduce GHG emissions in case of leaks as compared to commonly used synthetic refrigerants.
Legal	Relevant, always included	All litigations - including any that may be climate-related - are monitored, assessed and managed through a stringent corporate process.
Market	Relevant, always included	We monitor and analyze agri-food retail industry trends in regard to GHG management and keep abreast of new practices and tools that could enable us to more effectively manage, and reduce, our GHG emissions. For example, we attend conferences and webinars, and conduct literature reviews.
Reputation	Relevant, always included	We could be exposed to reputational risks if we were to be perceived by our stakeholders as inadequately managing the carbon footprint of our operations. A negative reputation could expose us to reduced demand for goods and services, thus impacting our revenues.
Acute physical	Relevant, always included	Changing weather conditions - such as extreme temperatures, and increase in temporal and spatial variability in temperature, precipitation and wind patterns could have an adverse effect on our operations in Québec, Ontario and New Brunswick. These physical risks could impact our supply chain network, resulting in increased food and energy prices, as well as supply chain disruptions (for instance, reliability of delivery, food quality, food safety). Furthermore, winters with extreme conditions could result in increased snow removal and service delivery costs and damages to infrastructures. Severe weather events such as floods, ice storms and tornados, could increase our building insurance premiums and maintenance costs.
Chronic physical	Relevant, sometimes included	A rise in temperature could increase the cooling costs in our stores and warehouses and impact on our overall operational costs.

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Enhanced emissions-reporting obligations
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

The Corporation continues to monitor changing regulations through a quarterly regulatory review and participates in environmental committees of industry associations. The legal department also carries out an ongoing regulatory watch. These activities provide valuable insights to foresee new and changing regulations that could potentially impact the retail industry in general, and METRO in particular. If and when appropriate, METRO interacts with government authorities on proposed regulations through industry associations.

**Time horizon**

Unknown

**Likelihood**

Unknown

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

In order to manage the risk, we have a group that oversees the deployment of our environmental management data system. We have also implemented data management software to proactively prepare ourselves for potential future reporting obligations and rely on regulatory monitoring by our internal legal team.

**Comment**

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Other, please specify (Increased operating costs due to increase need of services)
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Under the Québec Waste Management Policy, the provincial government is proposing a new organic waste valorization strategy to divert 70% of the organic waste from landfills by 2030. This proposed regulation is part of the governments' objective to meet its carbon reduction goals. Diverting organic waste from landfills could expose METRO to additional operating costs associated with organic waste reduction and diversion, since the Corporation will have to increase its organic waste recovery rates as compared to the quantities recovered under the current program. Banning of organic waste from landfills could also reduce the viability of carbon credit program for METRO, should the Corporation choose to participate in this type of program. The Ontario government passed the new Waste-Free Ontario Act (2016), which enacts the Resource Recovery and Circular Economy Act, 2016 and the Waste Diversion Transition Act, 2016 which implement waste reduction and resource recovery regulations for the province. The Act currently impacts METRO with regards to its Stewardship Ontario obligation. The fees originally covered by Stewardship Ontario obligations resulted in 50% of recycling program costs covered by producers. In 2020 we were expecting new regulations under the Resource Recovery and Circular Economy Act, 2016 to be adopted. Under the new regulations, the fees would increase to 100% of the cost. The Blue Box Regulation has since been published (June 3, 2021). Regarding Quebec, METRO has paid one hundred percent of the cost of the recycling program since 2009. In both provinces, even if industry contribution is set at 100%, there is no predictability of the cost.

**Time horizon**

Unknown

**Likelihood**

Unknown

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost of response to risk****Description of response and explanation of cost calculation**

In order to manage the risk, METRO has set a waste reduction target striving to zero waste to landfill by 2020. Zero waste is defined as 90% waste diversion from landfilling. METRO also has a target to reduce food waste in its sites by 50% by 2025 as compared to 2016. To achieve this goal, we have implemented a comprehensive waste reduction program which includes food donation, food waste to feedstock, converting organic waste to compost, anaerobic digestion and training store employees.

**Comment****Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Mandates on and regulation of existing products and services
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

The current Canadian federal regulations on hydrofluorocarbons (HFCs) and on hydrochlorofluorocarbon (HCFCs) prohibit specific HCFCs by specific years depending on the sector and implement a gradual phase-down of HFCs and HCFCs from a baseline.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost of response to risk****Description of response and explanation of cost calculation**

New stores are equipped with CO2 refrigeration systems; where feasible, these new systems are also used in major store renovations. Our electro-mechanical department will also gradually convert current refrigerant gases to less damaging refrigerant gases to ensure best possible available options in existing refrigeration systems.

**Comment**

**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Changing physical conditions such as extreme changes in temperature, snow and ice, and precipitation patterns could have an adverse impact on our stores in Québec, Ontario and New Brunswick. For example, winters with extreme conditions could result in increased snow removal, service delivery costs and damages, and severe weather events such as floods, ice storms and tornados, could increase our building insurance premiums and maintenance costs. Furthermore, these physical risks could also impact our supply chain network resulting in increased food and energy prices, as well as supply chain disruptions.

**Time horizon**

Unknown

**Likelihood**

Unknown

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost of response to risk****Description of response and explanation of cost calculation**

In order to manage the risk, METRO has put in place business continuity and crisis preparedness plans. We are also effectively keeping track of any significant changes in our insurance premiums and maintenance costs. Our construction standards for the design of new stores and warehouses have been enhanced to take into consideration potential physical risks. We have also developed an alternative protocol in the event of a supply chain disruption from our first level suppliers which includes disruptions related to physical risks.

**Comment****Identifier**

Risk 5

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical	Rising mean temperatures
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

A rise in temperatures could increase the cooling costs in our stores and warehouses, which could impact our overall operating costs.

**Time horizon**

Unknown

**Likelihood**

Unknown

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements

**Cost of response to risk**

**Description of response and explanation of cost calculation**

In order to manage the risk, we have put in place various energy reduction projects, including refrigeration optimization systems and building retrofit programs.

**Comment**

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**Identifier**

Risk 6

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Market	Changing customer behavior
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**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

METRO could be exposed to reputational risks if we are perceived by the public as inadequately managing the carbon footprint of our operations, products and services. A negative reputation could expose us to reduced demand for goods and services impacting our revenues.

**Time horizon**

Unknown

**Likelihood**

Unknown

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

In its 2010-2015 and 2016-2020 corporate responsibility plans, METRO focused on the needs and expectations of its clientele with regard to responsible products and services under its pillar Delighted customers. The Corporation has also stepped up its communications on its CR initiatives. Since 2011, METRO publishes an annual CR report detailing its approach to climate change in terms of goals, initiatives and performance, and describing the initiatives implemented to offer responsible products and services to customers. The latest METRO's annual CR report, covering Fiscal 2020, was published in January 2021.

**Comment**

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**Identifier**

Risk 7

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Reputation	Increased stakeholder concern or negative stakeholder feedback
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**Primary potential financial impact**

Other, please specify (financial impacts could arise from negative stakeholder feedback, such as employees, customers or investors)

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

METRO could be exposed to reputational risks if we are perceived by the public as inadequately managing the carbon footprint of our operations, products and services. A negative reputation could expose us to reduced demand for goods and services impacting our revenues.

**Time horizon**

Unknown

**Likelihood**

Unknown

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost of response to risk****Description of response and explanation of cost calculation****Comment****C2.4****(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a****(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Move to more efficient buildings

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Subsidies are available for the implementation of energy efficiency programs in both Québec and Ontario. These subsidies enable us to install energy efficient equipment in our stores, leading to savings through consumption reductions.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

In order to realize this opportunity, we have initiated a number of applications for subsidies on environmental projects. We already received subsidies for our environmental projects.

**Comment**

---

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Access to new markets

**Primary potential financial impact**

Other, please specify (Reputation - wider social benefits)

**Company-specific description**

Stakeholders – including customers and investors – are increasingly turning to responsible companies that are managing their carbon footprint, among other things. We have proactively been identifying and managing our carbon risks and opportunities, and are now enhancing external communications on our carbon management strategies. This situation represents an important opportunity for us to continuously enhance our reputation.

**Time horizon**

Unknown

**Likelihood**

Unknown

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

We remain committed to continuing to enhance our programs and communications.

**Comment**

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**C3. Business Strategy**

---

**C3.1**

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**(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes

**C3.1b**

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**(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?**

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	No, we do not intend to publish a low-carbon transition plan in the next two years	<Not Applicable>	

**C3.2**

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

No, and we do not anticipate doing so in the next two years

**C3.2b**

**(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?**

METRO is aware of the science-based targets and climate-related scenario analysis. At this time, we make sure to stay well informed on these elements but do not specifically use them to manage our carbon footprint. METRO is also aware of the importance for companies to participate in the global effort to fight climate change and has thus been committed to improve its carbon footprint for over a decade.

**C3.3**

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	No	Not yet impacted
Supply chain and/or value chain	Not evaluated	
Investment in R&D	Not evaluated	
Operations	Yes	Physical risks such as extreme weather events could also impact our supply chain network, resulting in increased food and energy prices, as well as supply chain disruptions. METRO has developed alternative protocols in the event of a supply chain disruption from our first level suppliers, which includes disruptions related to physical risks. Increased operational budgets for more extreme weather events. Extreme changes in temperatures, snow and ice, and precipitation patterns could have an adverse impact on our stores in Québec, Ontario and New Brunswick. Severe weather events such as floods, ice storms and tornados could increase our building insurance premiums and maintenance costs. In order to manage the risk, METRO is keeping track of any significant changes in our insurance premiums and maintenance costs. The construction standards for the design of new stores and warehouses have been enhanced to take into consideration potential physical risks.

**C3.4**

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs Capital expenditures Liabilities	Indirect Costs (Operating costs): Increased operational budgets due to more extreme weather events have been implemented for our Maintenance department. Extreme changes in temperatures, snow and ice and precipitation patterns could have an adverse impact on our stores in Québec, Ontario and New Brunswick. Extreme winters could result in increased snow removal, service delivery costs and damages. METRO is effectively keeping track of any significant changes in our maintenance costs. In addition, fuel taxes related to the Federal carbon tax and Cap and trade regulation could have an impact on our operating costs. Capital expenditures: We adopt a proactive approach and make strategic investments to continuously improve our environmental performance. We are on the lookout for new solutions and our teams monitor trends and assess available levers. We also closely monitor weather events. A rise in temperature could increase the cooling costs in our stores and warehouses, which could have an impact on our overall capital expenditures to install/retrofit existing cooling equipment and to optimize refrigeration systems. In addition, new technologies and processes (e.g. electric vehicles, logistic optimization) available for transportation could have some impacts, such as fuel reduction and cost reduction. Liabilities: Changing physical conditions such as changes in temperature, snow and ice, and precipitation patterns could have an adverse impact on our stores in Québec, Ontario and New Brunswick. Severe weather events such as floods, ice storms and tornados, could increase our building insurance premiums. METRO has started to effectively keep track of any significant changes in our insurance premiums.

**C3.4a**

**(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

Climate-related topics are embedded in the Corporation's Corporate Responsibility Plan and risk management assessment, which are both directly linked to our business strategy.

In addition, the business strategy of the Real Estate and Engineering department is based on numerous sources of information including, our internal climate change risk and opportunities assessments as well as the carbon and energy performances discussed at the quarterly Environmental Committee meetings. The climate aspects that have most influenced our business strategy include climate policies and regulations, waste regulations banning or diverting organics from landfills, market trends relating to energy prices, and changing customer behaviours expecting more responsible behaviours from companies.

The aspects of METRO's 2016-2020 Corporate Responsibility Plan related to climate issues pertains to operational activities leading to more energy and waste efficient processes. This encompasses a network-wide investment program incorporating green building attributes (for stores and distribution centers) as well as increased communications to internal stakeholders on the strategic importance of carbon and energy management.

Considering climate change in our business strategy provides some positive impacts for METRO as it demonstrates the commitment of the Corporation to be a good corporate citizen. In addition, the cost savings stemming from operational efficiency show the solid management approach of our team, providing a lever to gain competitive advantage.

**C4. Targets and performance**

**C4.1**

**(C4.1) Did you have an emissions target that was active in the reporting year?**

No target

**C4.1c**

**(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.**

	Primary reason	Five-year forecast	Please explain
Row 1	Other, please specify (Reduction targets in specific sectors)		The current environmental priorities of METRO are expressed in its 2016-2020 Corporate Responsibility (CR) Plan. While specific targets have not been set for this period, the Corporation is disclosing its carbon footprint on an annual basis in its CR report. METRO has been monitoring its GHG emissions for over 10 years and has been putting in place programs to continuously reduce its carbon footprint. We have some reduction targets in specific sectors – namely energy and waste. We are currently analyzing the situation to identify the strategy to adopt in terms of identifying global GHG emissions goals. METRO also has other projects that contribute to GHG emissions reduction but with no quantitative targets.

**C4.2**

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	1	108
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

**C4.3b**

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

**Initiative category & Initiative type**

Transportation	Company fleet vehicle replacement
----------------	-----------------------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

108

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

Please select

**Estimated lifetime of the initiative**

Please select

**Comment**

Replacement of internal transportation vehicles at Distribution Centres is currently under investigation. No timeline is currently in place of implementation of initiative. CO2e reductions annually will be dependent on the number of vehicles replaced. Calculations reflect one electric shunt truck.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Dedicated budget for energy efficiency: In coordination with our financial team, we have established a dedicated budget for our energy efficiency programs for the 2016-2020 period. METRO's goal was to enhance the energy efficiency of every new store by at least 5% as compared to stores built in 2010. It should be mentioned that the energy efficiency improvement in 2019 was 5 times better than the original goal.
Internal incentives/recognition programs	Investment in reduction activities are concentrated on our major impact activities (energy, refrigeration, waste management and transport). Certain members of management receive bonuses associated with meeting environmental objectives, including emission reduction activities. In Quebec, store managers receive a bonus related to their store waste diversion from landfill which directly correlates to emissions reductions.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

October 1 2009

**Base year end**

October 1 2010

**Base year emissions (metric tons CO2e)**

176880

**Comment**

**Scope 2 (location-based)**

**Base year start**

October 1 2009

**Base year end**

October 1 2010

**Base year emissions (metric tons CO2e)**

109491

**Comment**

**Scope 2 (market-based)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**C5.2**

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**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

**C6. Emissions data**

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**C6.1**

---

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

229612

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

**C6.2**

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

**Comment**

**C6.3**

---

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

17246

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

---

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

---

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

**Source**

Adonis, Phoenicia, Première Moisson (corporate locations), Pro Doc

**Relevance of Scope 1 emissions from this source**

Emissions are relevant but not yet calculated

**Relevance of location-based Scope 2 emissions from this source**

Emissions are relevant but not yet calculated

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

Emissions are relevant but not yet calculated

**Explain why this source is excluded**

Independent stores (METRO affiliates and pharmacies), small banners and convenience stores and Première Moisson bakeries (independent locations) are excluded, since we have re-categorized them as Scope 3 and therefore outside of our operational control. We do not have full control of their energy consumption or the ability to dictate the implementation of emission reduction projects. We also do not have centralized energy consumption data for those stores. Adonis stores, Première Moisson corporate locations, Phoenicia, ProDoc and Jean Coutu distribution centers have only come under METRO's operational control in recent years. We plan to include them in the CDP 2022.

---

**Source**

Emissions from refrigerant loss from refrigerated trailers.

**Relevance of Scope 1 emissions from this source**

Emissions are relevant but not yet calculated

**Relevance of location-based Scope 2 emissions from this source**

No emissions from this source

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

No emissions from this source

**Explain why this source is excluded**

We don't have Scope 1 data yet and they were not calculated in our baseline scenario.

---

**Source**

Propane consumption from forklifts and floor cleaning machines in our Distribution Centre from Quebec and Ontario.

**Relevance of Scope 1 emissions from this source**

Emissions are not relevant

**Relevance of location-based Scope 2 emissions from this source**

No emissions from this source

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

No emissions from this source

**Explain why this source is excluded**

We don't have this data yet and they were not calculated in our baseline scenario. These emissions are assumed negligible since the majority of our forklifts and floor cleaning machines at distribution centres are electric. Propane consumption at stores is calculated and disclosed.

---

**Source**

Emissions from small air conditioning unit used for room air cooling.

**Relevance of Scope 1 emissions from this source**

Emissions are relevant but not yet calculated

**Relevance of location-based Scope 2 emissions from this source**

No emissions from this source

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

No emissions from this source

**Explain why this source is excluded**

We don't have this data yet and they were not calculated in our baseline scenario.

---

**C6.5**

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**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

203

**Emissions calculation methodology**

Emissions calculated using data obtained from suppliers in paper consumption report.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

**Capital goods**

**Evaluation status**

Relevant, not yet calculated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Relevant, not yet calculated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

METRO has fuel-and-energy-related activities not included in Scope 1 or 2; however, associated emissions have not yet been quantified.

**Upstream transportation and distribution**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

59153

**Emissions calculation methodology**

we have multiplied the litres of diesel consumed per year by the emission factor used to calculate these emissions

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

**Please explain**

**Waste generated in operations**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

44475

**Emissions calculation methodology**

EPA Emission Factors for Greenhouse Gas Inventories Table 21 April 2021

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

60

**Please explain**

All data unless for cardboard and mixed bale materials (+/- 70 000 metrics tonnes) are coming from services provider.

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

911

### Emissions calculation methodology

Business travel includes passenger miles used in personal vehicles for business travel, train travel and air travel. Emission factors for US EPA (EPA Emission Factors for Greenhouse Gas Inventories Table 21 April 2021) used to evaluate GHGs for travel.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Reduction in emissions in 2020 compared to previous year due to reduced business travel resulting from lockdown requirement of COVID-19 pandemic.

## Employee commuting

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

METRO has Scope 3 emissions associated with employee commuting; however, these emissions have not been calculated due to the difficulty of obtaining and tracking such data.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

METRO incorporates upstream leased retail assets in Scope 1 and 2; any outstanding emissions associated with Scope 3 office space are minimal.

## Downstream transportation and distribution

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

METRO has Scope 3 emissions associated with downstream transportation and distribution, however, there is a lack of reliable information on downstream transport and it is very complicated to define attributable emissions to METRO when 3rd party service providers transport multiple customers' products (non-METRO products) at a given time.

## Processing of sold products

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Minimal impact since sold products are generally ready to consume and do not require further processing.

## Use of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Since products sold are mainly food, there is no precise energy consumption associated with the use of the product itself.

## End of life treatment of sold products

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Since products sold are mainly food "End of life of sold products" depend on municipal infrastructures to treat waste (landfills, industrial composting sites, etc.).

## Downstream leased assets

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

METRO has Scope 3 emissions associated with downstream leased assets; however, these emissions have not been calculated due to the lack of granularity in data collection.

## Franchises

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Some franchised stores are called affiliated stores. Independent stores (affiliated stores and pharmacies) as well as proximity banners and convenience stores are excluded since we do not have full control of their energy consumption or the ability to dictate the implementation of emission reduction projects.

## Investments

### Evaluation status

Not evaluated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

**Other (upstream)**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

**Other (downstream)**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

C6.7

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**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

C6.10

---

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

523

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

246859

**Metric denominator**

Other, please specify (Number of locations considered at end of fiscal year)

**Metric denominator: Unit total**

472

**Scope 2 figure used**

Location-based

**% change from previous year**

7.2

**Direction of change**

Decreased

**Reason for change**

The methodology has been updated to use more recent and locally-based emission factors wherever possible.

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C7. Emissions breakdowns

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C7.1

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**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

C7.1a

---

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	82701	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	59	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	512	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	146336	IPCC Fifth Assessment Report (AR5 – 100 year)
Other, please specify (VOCs)	4	IPCC Fifth Assessment Report (AR5 – 100 year)

**C7.2**

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	229612

**C7.3**

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

**C7.3c**

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Building - Gas	65274
Building - emergency generators	47
Company owned vehicles	17938
Refrigerant Losses	146336
Building - Equipment (propane)	14
Building - Equipment (VOC)	4

**C7.5**

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Canada	17246	17246	991673	0

**C7.6**

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

**C7.6c**

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Buildings - electricity	17246	17246

**C7.9**

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

**C7.9a**

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other	22175	Decreased	8	Decreased emissions were a result of updating our emission factors to that which are more local and recent (as mentioned in section C6.10 of this report).

**C7.9b**

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

**C8. Energy**

**C8.1**

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

Don't know

**C8.2**

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	428556	428556
Consumption of purchased or acquired electricity	<Not Applicable>	629031	362642	991673
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	629031	791198	1420229

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

185.41

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

2.70514

**Unit**

kg CO2e per liter

**Emissions factor source**

EPA Emission Factors for Greenhouse Gas Inventories Table 21 April 2021

**Comment**

HHV used from : Guide Greenhouse Gas Emissions reporting for O. Reg 452/09 (2015) Table 20-1a - Distillate fuel oil no.1 Diesel included here is only diesel from stationary sources.

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

356316

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

1.9

**Unit**

kg CO2e per m3

**Emissions factor source**

National Inventory Report 1990-2019, Part 2, Annex 6; Table A6.1-1 and A6.1-2; Published in 2021. Quebec natural gas EF: 1.897311, Ontario natural gas EF: 1.898311

**Comment**

HHV from Enbridge/Union Gas gas supplier for Ontario

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**Fuels (excluding feedstocks)**

Propane Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

66

**MWh fuel consumed for self-generation of electricity****MWh fuel consumed for self-generation of heat****MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

1.53389

**Unit**

kg CO2e per liter

**Emissions factor source**

EPA Emission Factors for Greenhouse Gas Inventories Table 21 April 2021

**Comment**

HHV used from: Guide Greenhouse Gas Emissions reporting for O.Reg 452/09 (2015) table 20-1a - propane or LPG

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**Fuels (excluding feedstocks)**

Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

47800.42

**MWh fuel consumed for self-generation of electricity****MWh fuel consumed for self-generation of heat****MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

2.72359

**Unit**

kg CO2e per liter

**Emissions factor source**

EPA Emission Factors for Greenhouse Gas Inventories Table 21 April 2021

**Comment**

HHV used from : Guide Greenhouse Gas Emissions reporting for O. Reg 452/09 (2015) table 20-1a - Distillate fuel oil no.1 Diesel included here is only diesel from mobile sources.

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**Fuels (excluding feedstocks)**

Motor Gasoline

**Heating value**

LHV (lower heating value)

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**Total fuel MWh consumed by the organization**

24188

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

2.31705

**Unit**

kg CO2e per liter

**Emissions factor source**

National Inventory Report 1990-2018, Part 2, Annex 6; Table A6.1-14; Published in 2020

**Comment**

**C9. Additional metrics**

**C9.1**

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**C10. Verification**

**C10.1**

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

**C10.2**

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, we do not verify any other climate-related information reported in our CDP disclosure

**C11. Carbon pricing**

**C11.1**

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

**C11.2**

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

### C11.3

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**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

### C12. Engagement

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#### C12.1

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**(C12.1) Do you engage with your value chain on climate-related issues?**

No, we do not engage

#### C12.1e

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**(C12.1e) Why do you not engage with any elements of your value chain on climate-related issues, and what are your plans to do so in the future?**

While we do not specifically engage with suppliers throughout our supply chain on climate-related issues, METRO has implemented in 2017 a Supplier Code of Conduct which includes Environmental protection as one its four key principles.

The Code specifies that METRO encourages suppliers to adopt a proactive approach with regard to significant issues in the supply chain, and METRO mentions GHG emission as one of these issues. Greenhouse gas emissions contribute to climate change—a major, internationally recognized, environmental issue. METRO encourages suppliers to take measures to reduce the GHG emissions generated by their operations, products and services, rely on a transparent approach and divulge their GHG emissions.

The Supplier Code of Conduct is an integral part of most business agreements that govern METRO's relations with its suppliers.

Source: [Supplier Code of Conduct](#), p. 5-6.

In addition, METRO disclosed a Packaging and Printed Materials Management Policy in May 2019, based on the four following principles: reduce the use of packaging and printed materials, implement optimal design, select eco-responsible materials and facilitate recovery and recycling. This program will enable METRO to implement practices to reduce the use of resources, limit product losses and reduce waste generation,

Source: <https://corpo.metro.ca/en/corporate-social-responsibility.html>.

### C12.3

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**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Trade associations

#### C12.3b

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**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

#### C12.3c

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**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

- Conseil patronal de l'environnement du Québec (CPEQ) - Retail Council of Canada (RCC)

**Is your position on climate change consistent with theirs?**

Unknown

**Please explain the trade association's position**

**How have you influenced, or are you attempting to influence their position?**

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#### C12.3f

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**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

The activities that could influence policy are carried out through our involvement in trade associations and are consistent with our climate change strategy. We commit to initiatives that are in line with our corporate responsibility plan and the environmental priorities that we have established, including our Environmental policy.

## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

METRO\_CR\_Report\_2020-EN.pdf

**Page/Section reference**

pages 8 to 10

**Content elements**

Strategy

Emissions figures

**Comment**

## C15. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

### C15.1

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Vice President, Real Estate and Engineering and Chair of METRO's Environmental Committee reporting to the Governance and Corporate Responsibility Committee of the Board of Directors	Other, please specify (VP Level and Member of Executive Committee)

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

**Please confirm below**

I have read and accept the applicable Terms